

IN THE UNITED STATES DISTRICT COURT
FOR THE WESTERN DISTRICT OF NORTH CAROLINA
CHARLOTTE DIVISION

UNITED STATES OF AMERICA)	
)	DOCKET NO. 3:22-CR-57-FDW-DCK
v.)	
)	FACTUAL BASIS
MALIK D'VONDE SHROPSHIRE)	
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NOW COMES the United States of America, by and through Dena J. King, United States Attorney for the Western District of North Carolina, and hereby files this Factual Basis in support of the plea agreement filed simultaneously in this matter.

This Factual Basis is filed pursuant to Local Criminal Rule 11.2 and does not attempt to set forth all of the facts known to the United States at this time. By their signatures below, the parties expressly agree that there is a factual basis for the guilty plea(s) that the defendant will tender pursuant to the plea agreement, and that the facts set forth in this Factual Basis are sufficient to establish all of the elements of the crime(s). The parties agree not to object to or otherwise contradict the facts set forth in this Factual Basis.

Upon acceptance of the plea, the United States will submit to the Probation Office a "Statement of Relevant Conduct" pursuant to Local Criminal Rule 32.4. The defendant may submit (but is not required to submit) a response to the Government's "Statement of Relevant Conduct" within seven days of its submission. The parties understand and agree that this Factual Basis does not necessarily represent all conduct relevant to sentencing. The parties agree that they have the right to object to facts set forth in the presentence report that are not contained in this Factual Basis. Either party may present to the Court additional relevant facts that do not contradict facts set forth in this Factual Basis.

1. Defendant MALIK D'VONDE SHROPSHIRE submitted and caused to be submitted a false and fraudulent loan application to the United States Small Business Administration ("SBA") using false information regarding a fake small business, including fake revenues and fake employment data. As a result of the fraudulent application, SHROPSHIRE attempted to obtain \$28,500 in relief funds that were intended to be provided to existing business harmed by the COVID-19 pandemic.

2. From on or about August 4, 2020, through on or about August 6, 2020, SHROPSHIRE, with intent to defraud, did knowingly and intentionally devise a scheme and artifice to defraud the United States, specifically the SBA, by: (1) preparing and causing to be prepared false and fraudulent Economic Injury Disaster Loan ("EIDL") documents, including an application and other forms and (2) submitting and causing to be submitted the false and fraudulent loan application to the SBA in order to obtain funds through the EIDL program, in violation of Title 18 United States Code Section 1343.

3. For the purposes of SHROPSHIRE's scheme to obtain money by materially false and fraudulent pretenses, representations, and promises from the SBA, SHROPSHIRE did transmit and cause to be transmitted by means of wire communication in interstate commerce any writing, signal, picture, and sound, *to wit*, an electronic loan application in interstate commerce.

4. On or about August 6, 2020, SHROPSHIRE did knowingly make and cause to be made a false statement or report for the purpose of influencing the action of the SBA in connection with the EIDL program, which it administers pursuant to a provision of the Small Business Act, in violation of Title 18, United States Code, Sections 1014. The defendant stated and caused to be stated that, as of January 31, 2020, MDS Investment Technologies was a legitimate business which had 1 employee and \$56,300 in gross revenues for the prior 12 months. In truth and in fact, and as the defendant well knew, MDS Investment Technologies was not a legitimate business and did not have the stated employees and revenues.

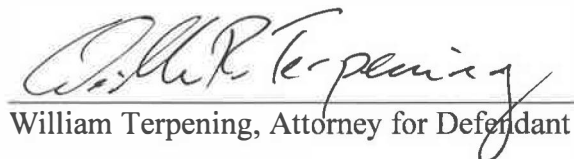
DENA J. KING
UNITED STATES ATTORNEY



MATTHEW T. WARREN
ASSISTANT UNITED STATES ATTORNEY

Defendant's Counsel's Signature and Acknowledgment

I have read this Factual Basis, the Bill of Information, and the plea agreement in this case, and have discussed them with the defendant. Based on those discussions, I am satisfied that the defendant understands the Factual Basis, the Bill of Information, and the plea agreement. I hereby certify that the defendant does not dispute this Factual Basis.


William Terpening, Attorney for Defendant

DATED: August 3, 2021